

8-320.

(1) IN ADDITION TO OTHER METHODS, A TRANSFER, PLEDGE OR RELEASE OF A SECURITY OR ANY INTEREST THEREIN MAY BE EFFECTED BY THE MAKING OF APPROPRIATE ENTRIES ON THE BOOKS OF A CLEARING CORPORATION REDUCING THE ACCOUNT OF THE TRANSFEROR, PLEDGOR OR PLEDGEE AND INCREASING THE ACCOUNT OF THE TRANSFEREE, PLEDGEE OR PLEDGOR BY THE AMOUNT OF THE OBLIGATION, OR THE NUMBER OF SHARES OR RIGHTS TRANSFERRED, PLEDGED OR RELEASED, IF THE SECURITY IS SHOWN ON THE ACCOUNT OF A TRANSFEROR, PLEDGOR OR PLEDGEE ON THE BOOKS OF THE CLEARING CORPORATION, IS SUBJECT TO THE CONTROL OF THE CLEARING CORPORATION, AND:

[(1)] (A) If [a security] CERTIFICATED:

[(a)] (I) Is in the custody of [a] THE clearing corporation, ANOTHER CLEARING CORPORATION, [or of] a custodian bank or a nominee of [either subject to the instructions of the clearing corporation] ANY OF THEM; and

[(b)] (II) Is in bearer form or endorsed in blank by an appropriate person or registered in the name of the clearing corporation, [or] A custodian bank or a nominee of [either] ANY OF THEM; OR [and]

(B) IF UNCERTIFICATED, IS REGISTERED IN THE NAME OF THE CLEARING CORPORATION, ANOTHER CLEARING CORPORATION, A CUSTODIAN BANK OR A NOMINEE OF ANY OF THEM.

[(c) Is shown on the account of a transferor or pledgor on the books of the clearing corporation; then, in addition to other methods, a transfer or pledge of the security or any interest therein may be effected by the making of appropriate entries on the books of the clearing corporation reducing the account of the transferor or pledgor and increasing the account of the transferee or pledgee by the amount of the obligations or the number of shares or rights transferred or pledged.]

(2) Under this section entries may be MADE with respect to like securities or interests therein as a part of a fungible bulk and may refer merely to a quantity of a particular security without reference to the name of the registered owner, certificate or bond number or the like and, in appropriate cases, may be on a net basis taking into account other transfers, [or] pledges OR RELEASES of the same security.

(3) A transfer [or pledge] under this section [has the effect of a delivery of a security in bearer form or duly endorsed in blank (§ 8-301) representing the amount of the obligation or the number of shares or rights transferred or pledged.] IS EFFECTIVE (§ 8-313) AND THE PURCHASER ACQUIRES THE RIGHTS OF THE TRANSFEROR (§ 8-301). A PLEDGE OR RELEASE UNDER THIS SECTION IS THE TRANSFER OF A LIMITED INTEREST. If a pledge or the creation of a security interest is intended, [the making